

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF SOUTH SHORE WATER)
COMPANY FOR A DEVIATION FROM THE)
REQUIREMENTS OF 807 KAR 5:066, SECTION) CASE NO. 10263
5(4) REGARDING WATER STORAGE)

O R D E R

By letter received May 6, 1988, South Shore Water Works Company ("South Shore") requested a deviation from 807 KAR 5:066, Section 5(4), which requires a water utility to provide water storage to insure one day's supply of its average daily water usage.

The Commission, having reviewed the evidence of record and being advised, is of the opinion and finds that:

1. South Shore currently has a water storage tank of 364,000 gallons.
2. South Shore's average daily water usage for the 12-month period ending December 31, 1987 was 645,767 gallons. South Shore projects that its average daily usage by the year 1990 will be 692,262 gallons.
3. South Shore does not have storage capacity to insure one day's supply of its average water usage and, therefore, does not meet the requirements of Commission regulation 807 KAR 5:066, Section 5(4).

4. South Shore provides water to Didier Taylor Refractories ("D.T.R."). D.T.R. consumed 8.2 to 21.7 percent of South Shore's monthly sale in 1987. D.T.R. has its own storage facility of 200,000 gallons.

5. South Shore provides water from nine water wells. It has four electric driven pumps of adequate capacity to supply South Shore storage tanks and the distribution system.

6. South Shore has experienced 11 interruptions due to power failure.

7. South Shore should retain a professional engineer registered in the Commonwealth of Kentucky and experienced in the design and operation of water distribution systems. The engineering study should include an estimate of the costs involved in obtaining a new storage facility for South Shore. It should also include a detailed discussion of the financial effects that the funding arrangements would have on South Shore and its customers.

8. South Shore should be granted a deviation from 807 KAR 5:066, Section 5(4) until August 1, 1991 to proceed with the construction of additional water storage to meet Commission regulations.

9. South Shore should take all necessary steps to increase its water storage capacity to equal or exceed its average daily usage.

IT IS THEREFORE ORDERED that:

1. South Shore be and it hereby is granted a deviation from 807 KAR 5:066, Section 5(4) until August 1, 1991.

2. South Shore shall retain a professional engineer to conduct a comprehensive engineering study of its water storage tanks and distribution system as outlined in Finding 7 herein. South Shore shall file a copy of the report of this study with this Commission no later than September 1, 1989.

3. South Shore shall take all necessary actions to bring its water storage facilities into compliance with Commission regulations prior to the expiration of the deviation herein granted.

Done at Frankfort, Kentucky, this 20th day of July, 1988.

PUBLIC SERVICE COMMISSION

Richard D. Herman, Jr.
Chairman

Robert M. Davis
Vice Chairman

James H. Williams
Commissioner

ATTEST:

EXECUTIVE DIRECTOR